

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2018/2019

BBL2014 – BUSINESS LAW

(All Sections / Groups)

23 OCTOBER 2018
9:00 a.m. – 11:00 a.m.
(2 hours)

INSTRUCTIONS TO STUDENT:

1. This Question paper consists of 2 pages with 4 questions only.
2. Answer **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. Please write all your answers in the Answer Booklet provided. All answer should be supported with relevant statutory provisions and case law.

QUESTION 1

- a) Describe the formation of a partnership in Malaysia.
(10 marks)
- b) Clint and Fury have been operating a partnership since 1991. After years of operating the partnership together, they decided to dissolve the partnership and intend to form separate businesses on their own. State the methods of dissolution available under the Partnership Act 1961.
(15 marks)

[Total: 25 marks]

QUESTION 2

- a) Due to some issues, Tan Sri Loki engaged Ronan to burn Mystique's house in Jalan Petaling, Kuala Lumpur. Tan Sri Loki agreed to indemnify Ronan against all consequences of the act. Acting upon such agreement, Ronan burnt Mystique's house. Mystique successfully sued Ronan for damages amounting to RM200,000 which Ronan promptly paid. Ronan wants to recover from Tan Sri Loki the RM200,000 and his legal expenses incurred when defending the suit. Advise Ronan.
(15 marks)
- b) Explain the circumstances in which an agency may be terminated.
(10 marks)

[Total: 25 marks]

QUESTION 3

In January 2008, Clothing Accessories Sdn. Bhd. was incorporated with a sole object of manufacturing clothes and undergarments. Groot, Thor and Nebula are the full-time directors and shareholders of the company. The company has made considerable profits for the past five years and planning to expand their objects.

During meeting of members, Groot proposed to appoint Dato' Gemora, a 42 years old rich spinster as a new executive director of a company. Before the appointment was made, it was brought to the attention of the company that Dato' Gemora was once convicted of fraud in her former company. Thor, on the other hand, wishes to appoint Hulk, a 25 years old undischarged bankrupt with no educational background. It was also added that the company is to approve a loan of RM 500,000 to Nebula for the purpose of acquiring home. As a legal representative of the company, advise the company on the following matters:

- a) Whether Dato' Gemora and Hulk are qualified to become directors of the company?
(15 marks)

Continued...

- b) Whether the company could allow the approval of such loan to Nebula?

(10 marks)

[Total: 25 marks]

QUESTION 4

- a) In January 2018, Thanos offered to sell his original Gucci clutch to Wolverine for RM8500. Wolverine in his reply gave a new figure of RM7000. Thanos was silent on the reply given by Wolverine. A week later, Wolverine changed his mind and agreed to the original price. Thanos refused to sell and Wolverine claimed a contract has come into existence. Advise Thanos.

(10 marks)

- b) In order to have a valid contract, the parties to the contract must be competent to the contract. Explain the legal capacity of a minor in a contract and its exceptions with relevant cases law and provisions in the Contracts Act 1950.

(15 marks)

[Total: 25 marks]

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